

FREQUENTLY ASKED QUESTIONS

BUSINESS FACTORY AUTO

6th EDITION



BFA is an initiative promoted by the **Xunta de Galicia** through the **Galician Innovation Agency (GAIN)**, the **Galician Institute for Economic Development (IGAPE)** and the **Closed-end Collective Investment Management Firm (Xesgalicia)**; the **Free Trade Zone Consortium of Vigo (CZFV)** and **Vigo Activo Sociedad de Capital Riesgo (VIGO ACTIVO)**, The **Galician Automotive Companies Cluster Foundation (CEAGA)**, and **Stellantis**

When and how to register a project?

The project registration process will be open from 23 June 2021 to 22 September 2021, 14:00h Central European Summer Time (CEST). The selection process will end on 15 November 2021 upon publication of the list of successful projects. Business Factory Auto reserves the right to shorten or extend this period by means of a notice published on the website www.bfauto.es, and the dates appearing on the website will be final and valid.

Projects interested in this call must fill in the registration form provided on the BFA website www.bfauto.es within the deadline indicated in the calendar. Modifications are not permitted after registration is validated. Only information provided in the form will be taken into account to evaluate projects that comply with the conditions and requirements of the 6th edition terms of the program. After studying the application, the BFA reserves the right to request additional information about projects, if necessary.

I am not sure in which phase to register my project. If I register my project in a phase that does not correspond, will it be discarded?

No, the project is not ruled out. It is the candidates who decide which phase they want to apply for, but the BFA, depending on the level of maturity of the project, reserves the right to change the phase.

What type of projects can be presented? Is it necessary to have the company incorporated?

The Business Factory Auto is not only aimed at initiatives promoted by individuals, it also promotes innovative ideas that are developed within existing companies or originating from knowledge centers.

The future of the automotive industry is focused on Industry 4.0 and, therefore, the BFA will support projects related to digital transformation. All the trends of the Factory of the Future are key for the industry and those projects that fall within one of the technological fields defined as of interest to companies in the automotive sector in Galicia will be prioritized.

At the time of submitting the application, they may or may not be incorporated as a company, what will be assessed is the potential of the project and the trajectory and

adaptation of the team to it. In the case of having a company incorporated, its seniority must be a maximum of three and a half years (42 months) to participate in the acceleration phase and a maximum of 6 years (72 months) to participate in the consolidation phase.

If they do not have a company incorporated, they must commit to forming a company before December 31, 2021 and if the registered office, tax or main center of activity is not in Galicia, they must make the change before December 31, 2021.

Can I participate in the BFA initiative as a self-employed person or as a community of property?

No. To participate in the BFA program it is necessary that the project have some type of commercial company (Limited liability company, Public limited company, Collective partnership, Limited partnership, Labor or Cooperative partnership)

If the company is already incorporated, it must be active. If a company has to be set up to participate in the BFA, it must start its activity once it is set up.

What should be the nature of my project and the degree of development?

The Business Factory Auto is not only aimed at initiatives promoted by individuals, it also promotes innovative ideas that are developed within existing companies or with origin in knowledge centers:

Startup: a recently created company promoted by personal entrepreneurs in the start-up phase, generally associated with innovation and with a scalable business model.

One company spin-out: a recently created company resulting from the spin-off of a project from an existing company.

Several companies spin-outs: a recently created company resulting from the spin-off of a project developed collaboratively by several companies.

Spin-off: recently created company born from an innovative development originating in knowledge centers (universities, technology centers, etc.)

The program has 2 phases whose difference lies in the degree of maturity of the projects. Projects that are in an initial stage and that need to develop and validate their product or service in the automotive sector will be eligible for the acceleration phase,

with a duration of up to 9 months. If the project has its product or service defined and real sales, it could opt for the consolidation phase that would last up to 12 months.

A project that has participated in the acceleration phase does not directly enter the consolidation phase. You will have to submit a new application for the consolidation phase and pass the entire selection process.

It is not necessary to go through the acceleration phase to qualify for consolidation.

In the case of being selected, should I move to Vigo?

The company must have a registered office, tax office and main center of activity in the Autonomous Community of Galicia, at least during its participation in the BFA. In addition, if they obtain any of the financing lines that are made available to the projects during the program, they must maintain the registered office, fiscal address and main center of activity during the term of the financing contracts.

The participating projects may be located in the facilities that the Vigo Free Zone Consortium makes available to the BFA in the port area of Bouzas (Vigo), very close to CEAGA and the Vigo Stellantis Center. The space has internet connection and meeting rooms.

Is attendance at Program activities compulsory?

The companies that participate in the BFA undertake to provide the dedication required for the proper development of the project during the program. They make a firm commitment to participate in face-to-face activities carried out in Vigo or its metropolitan area: they must actively participate in training, tutorials and follow-up meetings, both online and face-to-face.

The selected projects will undertake to attend and participate actively in at least 80% of the activities of the Program.

Is there a nationality requirement?

No. There is no requirement. In BFA you can present projects from any country. In case of being selected, the promoters must manage: the establishment of the social and fiscal address of the company in the Autonomous Community of Galicia, the establishment of its main center of activity in the same; and the work permits of the team members who are going to move to Spain (if required). All documentation must be available before the start of the acceleration / consolidation phase.

What criteria will be taken into account when selecting the finalist projects?

In the candidatures, the team and the project will be evaluated mainly according to the criteria established in the bases of the sixth edition of the BFA. In those projects that opt for the acceleration program in the assessment obtained, the team will be weighted with 60% and the project 40%, since the team is considered to be the key to the development and survival of the project.

For projects that opt for the consolidation program, the valuation will be weighted with a 40% weight for the team and 60% for the project. The team is still key, but in these moments when a higher investment is required, the potential of the project will be fundamental.

What is the language of the initiative?

Participants will be able to register their candidacy in Spanish, English or Galician. The program will be developed in Spanish or English depending on the needs of the participants.

What is the difference between promoters and management team?

When it comes to promoters and management team, we have to distinguish the nature of the project that is going to participate in BFA:

- If it is a startup, the promoters and the management team will be the same people.
- If it is a spin-out or spin-off, the promoters will be the company / s or the knowledge center and the management team will be the staff who dedicate full and / or part time to the project and the programmed activities at BFA.

The promoters are those people or entity / s in which the project originates, they are its architects and promoters. In the case of an entity or group of entities, they must designate a management team that intervenes directly in the project, with sufficient power to make decisions and fully represent it.

The management team will be the personnel who dedicate themselves full and / or part time to the day-to-day activities of the project. They will be the people who actively participate in the activities programmed in BFA.

Is there a limit of projects to present?

The number of projects that each promoter team can present is not limited, but only one will be eligible for eligibility. In the case of spin-offs and spin-outs, the BFA reserves the right to choose more than one project from the same promoter based on whether or not it has well-differentiated project teams.

How do you tell me if I am selected?

After the selection process, up to 10 projects invited to participate in the acceleration phase and up to 10 projects invited to participate in the consolidation phase will be published.

Candidates will receive a formal invitation to join the acceleration or consolidation phase of the program. This proposal will be valid for 5 calendar days to be formally accepted by the entrepreneurial team. Otherwise, the Executive Committee of the program may extend the invitation to the next project in reserve. Once the invitation has been accepted, the participation protocols will be sent, which will have to be signed by the representatives of the entities.

Is participating in the program compatible with other sources of funding?

Of course, participants will also be assisted in actively seeking other sources of funding.

How is the information provided in the registration treated?

All information provided will be treated confidentially. For more details you can consult the section on legal aspects of the bases of the program of the 6th edition of the BFA.

If my project does not fit into any of the topics marked as special interest, can I still present it?

Yes. That a project does not fit within any of these themes does not mean that it cannot be eligible, but it does mean that projects that are framed in any of these areas will have preference.

In addition, all those projects that may be applicable to the automotive sector and its value chain and that represent an innovation, in a broad sense, aimed at strengthening the Galician automotive sector in the face of emergency situations derived from pandemics such as Covid -19 will be valued positively.

